

SUMMARY SHEET

1. Description of Item

An ordinance requesting approval to set a new Title V emission fee at \$30.00 per ton of emissions with adjustments to be factored in. The definition for the Title V program is listed in Section III. A. of this summary.

II. Source and Amount of Funding

N/A

III. Ordinance Items

Adjusts air pollution control funding, mandated by the 1990 Clean Air Act and known as Title V, by utilizing a mechanism described by the Code of Shelby County, Section 14.5-28, Appendix A. This funding can only be used for Title V program work and must be adjusted from year to year to provide enough funding for Title V work but may need to be adjusted downward when monies exceed 35% of the monies needed for that work. Consequently, the mechanism provides that a 10 percent discount occur in establishing a new emissions fee rate so that the overage of funds collected from the prior year will be reduced, and also allows for a Consumer Price Index economic adjustment from the prior year.

In essence, the \$31.67/ton rate that was set for 2005 emissions will be reduced to \$30.00 for 2006 emissions and this approved rate is adjusted to an effective rate of \$27.00 to account for the Surplus Funds Carry Forward provision described above. The \$30.00/ton and \$27.00/ton rates are recommended by the Memphis and Shelby County Air Pollution Control Board.

IV. Additional Information Relevant to Approval of This Item

- Public hearings were held on April 11, 2007 and May 2, 2007 after newspaper advertisements on March 23, 2007 and April 16, 2007, by the Memphis and Shelby County Air Pollution Control Board.
- Title V, which is the major source permitting and enforcement program, is required by the Clean Air Act Amendments of 1990.
- A major source is defined as a larger industry or manufacturing source, capable of creating a greater amount of polluting emissions.
- The Memphis/Shelby County Program currently regulates approximately 140 large manufacturing companies under this program.
- Under the Statute, funds for support of the program can only come from fees charged to the regulated companies.
- The fee structure must be evaluated and adjusted each year to assure sufficient support is provided.
- This fee is developed and recommended by the Memphis and Shelby County Air Pollution Control Board to be approved via ordinance by the Shelby County Board of Commissioners.